



Los Angeles County Commission on Local Governmental Services

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October 8, 2009

TO: Supervisor Don Knabe, Chairman
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FROM: Tyler K. Kelley, Chair, Commission on Local Government Services

Angela Reddock, Member of the Commission & Co-Chair on the
Transportation for Hire Task Force

Alexander Ponder, Member of the Commission & Co-Chair on the
Transportation for Hire Task Force

SUBJECT: TRANSPORTATION FOR HIRE TASK FORCE

In response to an October 2, 2007, motion approved by your Board, we are writing to update you on the work of the Commission on Local Government Services Transportation for Hire Services Task Force (the "Task Force"). As you know, the Task Force is as an advisory group to the Commission on Local Government Services (the "Commission"). The Task Force's purpose is to examine and make recommendations for improvements to transportation for hire services industry in the County. Although there are several issues facing the transportation for hire services industry as a whole, both our Commission and the Task Force have chosen to focus primarily on issues impacting the taxicab industry.

The Commission and the Task Force recommend that the Board of Supervisors consider establishing a **Uniform Driver Permitting Process** applicable to all individuals seeking to become licensed to operate taxicabs in the County. Currently, individuals seeking to become taxicab drivers are required to undergo permit and background check processes for each city within the County where they are franchised to drive. The associated costs and fitness standards applied vary widely depending upon the

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individual city and its established rules and regulations. The redundant costs negatively impact drivers and companies while divergent standards adversely impact the overall quality and uniformity of taxicab service in the County. The Commission and the Task Force further recommend that the County implement a uniform permitting process through a centralized administration that would conduct driver permitting, licensing and vehicle inspection at a single location. Such a system is currently in place in Orange County and works to the benefit of taxicab drivers and companies, city governments and end users, including by ensuring uniform service, quality and performance standards.

The Task Force's complete report is attached for your review. We welcome the opportunity to speak with you and/or your staff in greater detail regarding these recommendations and to working with you to determine next steps.

TGW:TK:ld

Attachment

c: Chief Executive Officer
Executive Office, Board of Supervisors

COMMISSION ON LOCAL GOVERNMENT SERVICES

REPORT OF THE TRANSPORTATION FOR HIRE TASK FORCE

RECOMMENDATION

Based on the work of the Task Force to date, the Task Force recommends that the Board of Supervisors consider establishing a **Uniform County Driver Permitting Process**. Our preliminary research suggests that among other things, the establishment of such a system would streamline and unify the permitting and background check system for individuals seeking to become taxicab drivers within the County. It also would allow the County to establish a common set of qualifying and disqualifying factors for the permitting of the same.

For example, currently, individuals seeking to become taxicab drivers within the County are required to undergo a permit and background check process for each city within the County where they are franchised to drive. The cost to each applicant driver varies widely, depending on the individual city and its established rules and regulations.

Additionally, each city within the County has varying qualifying and disqualifying factors for determining whether an individual is eligible to receive a driver's permit. For example, several cities automatically disqualify an applicant driver who has a felony conviction on his or her record. On the other hand, at least one city in the County provides individual companies and operators discretion to determine whether a person is fit to become a taxicab driver. Based on the wide range of permit fees and qualifying and disqualifying factor requirements among the cities, we believe there is a substantial basis for streamlining and unifying the permit process.

Ultimately, the County should also consider the establishment of a "One-Stop Driver Permitting, Licensing and Vehicle Inspection Center" similar to that in place in Orange County. In Orange County, both taxicab drivers and companies are able to go to one location to obtain all of their necessary permitting, licensing and inspections to operate a taxi in the county. In addition to easing the financial and administrative burden both to government, companies and individuals, most importantly, such a system would lay the foundation for establishing uniform service, quality and performance standards for the taxicab industry throughout the County. A uniform system would support the County's overall goal of re-establishing Los Angeles' position and reputation as a world-class business and tourist destination.

OVERVIEW OF THE TASK FORCE AND ITS WORK TO DATE

The Task Force is an advisory group to the Commission and its purpose is to examine and make recommendations for improvements to the transportation for hire services industry within the County.

1. Task Force Members

The members of the Task Force are detailed below, though actual participation varied.

- 8 members from the Commission on Local Governmental Services
- 1 representative from the City of Los Angeles Department of Transportation

- 1 Representative from the MTA
- 1 Representative from the League of California Cities
- 1 Representative from the Independent Cities Association
- 1 Representative from the Contract Cities Association
- 1 Representative from the South Bay Council of Governments
- 1 Representative from the San Gabriel Council of Governments
- 1 Representative from the Southern California Association of Governments (SCAG)
- 1 Representative from the Los Angeles County Commission on Disability Services
- 1 Representative from the Los Angeles City Commission on Disability Services
- 1 Representative from the Los Angeles Convention & Visitors Bureau
- 1 Faculty Representative from a local area university (the current representative is from the University of Southern California)
- 1 Representative from United Independent Taxi Drivers, Inc. (taxi company)
- 1 Representative from Independent Taxi Co. (taxi company)
- 1 Representative from Administrative Services Co-Op (taxi company)
- 1 Representative from L.A. Taxi Workers Alliance (an advocacy organization that represents drivers)
- An industry lobbyist

2. Key Taxicab Industry Issues

The Task Force compiled and discussed in great detail a list of key issues that members of the Task Force expressed as of concern to the taxi cab industry at Task Force meetings. The key issues raised included:

- A uniform County driver permitting process
- A uniform County vehicle inspection & certification process
- A uniform County insurance inspection process
- The establishment of uniform passenger rates
- Green, environmentally friendly and fuel-efficient cars
- Problems associated with so-called "bandit" taxicabs
- Improved accessibility for disabled persons, including more training for drivers on working with passengers with disabilities
- Special traffic and road regulation considerations for taxicab drivers (i.e. the use of carpool lanes for taxicab drivers)
- Labor issues and other issues relating to workers' rights, compensation and benefits

While each of these issues have merit and may deserve focused attention in the future, the Commission believes that the establishment of a uniform driver permitting process is an important first step toward rationalizing and systematizing the taxicab industry in the County with an eye toward County-wide policies that would make service, quality and performance standards more uniform.

3. Research Support and Findings

Through support from the County's college internship program and the University of Southern California faculty representative to the Task Force, since October 2007, the Task Force has engaged several interns from local area colleges to provide background research for some of the issues facing the taxi cab industry.

Most significantly, one of the student interns conducted an examination of the taxicab permitting requirements for 66 of the 88 cities within the County. The student based his research on a combination of direct conversations with the permitting administrators for the different cities, as well as a review of the municipal codes and ordinances governing the taxicab permitting requirements for the varying cities.

As stated above, as it relates to permit fees, the fees vary widely, depending on the city.

Similarly, as it relates to the various qualifying or disqualifying factors for obtaining a driver's permit, the research shows the cities have varying requirements. For example:

- 36 cities require applicant drivers to undergo a LiveScan criminal background check.
- 21 cities require applicant drivers to undertake a drug test.
- 9 cities require character reference letters to vouch for a driver's character and their residency within the community.
- 5 cities have a minimum age requirement of 21 years old.
- 8 cities provide businesses full reign on deciding who is fit to operate a taxi within the city.
- 13 cities require applicant drivers to provide picture verification when providing fingerprints for their LiveScan.
- 28 cities disqualify applicant drivers who have been convicted of a felony.
- 14 cities disqualify applicant drivers who participated in or acted in a violent fashion.
- 21 cities disqualify drivers who have habitual problems involving drugs and/or alcohol.
- 24 cities disqualify drivers who are guilty or reported to have been cited for driving recklessly.

While each of these factors appear to be a valid basis for qualifying or disqualifying an applicant driver, we believe a unification of these varying requirements and factors would not only ease the financial and administrative burden both to the applicant drivers, their companies and the County, but also would serve the long-term interest of establishing an overall uniform taxicab system in the County. A uniform system is likely to lead to a higher quality of performance and service, something we believe would improve conditions for workers and improve the provision of services to consumers.